

RESOLUTION NO. 69-84

BLUE RIDGE SEWER IMPROVEMENT DISTRICT

Resolution of the Board of Directors of Blue Ridge Sewer Improvement District of Navajo County, Arizona, declaring its Intention to construct and install collector sewers and laterals, pump stations and appurtenant facilities within the public rights of way or easements granted for that purpose, said sewers to be connect to the Interceptor Sewer System of the Pinetop Lakes Sanitary District; all as shown on the plans; designating such improvement as Blue Ridge Sewer Improvement District Assessment Area 3A-1; determining that improvement bonds will be issued to finance the costs and expenses thereof and declaring the work or improvement to be of more than local or ordinary public benefit and that the costs of said work or improvement will be assessed upon Blue Ridge Sewer Improvement District Assessment Area 3A-1; and providing that the proposed work or improvement will be performed under the provisions of 11-701 through 11-760.02 inclusive, Arizona Revised Statutes, and all amendments thereto.

WHEREAS, a Petition requesting that collector sewers and laterals, pump stations and appurtenant facilities be constructed and installed within Blue Ridge Sewer Improvement District Assessment Area 3A-1 has been filed pursuant to A.R.S. Sec. 11-714, which Petition authorizes expenditures of up to \$950,000.00 Dollars; and

WHEREAS, Blue Ridge Sewer Improvement District Assessment Area 3A-1 is contained in its entirety within the Blue Ridge Sewer Improvement District and is only a portion thereof; and

WHEREAS, pursuant to A.R.S. Sec. 11-712 the Pinetop-Lakeside Sanitary District has been appointed as the District Engineer to perform all engineering and surveying tasks in order to accomplish the proposed improvement; and

WHEREAS, pursuant to A.R.S. Sec. 11-713 the District Engineer has filed with the Clerk of the Board of Supervisors of Navajo County, Arizona, Plans and Specifications and estimates of the costs and expenses of the proposed improvement project; and

WHEREAS, the Board has examined the plans, specifications, and estimates, and has preliminarily approved and adopted the same.

NOW, THEREFORE IT IS RESOLVED, DETERMINED AND ORDERED AS FOLLOWS:

Section 1. Definitions. In this Resolution, the following terms shall have the following meanings:

"Assessment Area 3A-1" or "the Assessment Area" shall mean all lots, parcels and tracts of land lying within the exterior boundaries of the entire composite and consolidated territory as described in the petition for formation of the Assessment Area, a copy of said description being attached hereto as Exhibit A. For a more particular description, reference is hereby made to the District Map and Description, which map is on file with the Superintendent of Streets, the Clerk and the District Engineer.

"Clerk" shall mean the Clerk of the Board of Supervisors of Navajo County, Arizona, ex officio Clerk of the Board of Directors of the District.

"County" shall mean Navajo County, Arizona.

"District" shall mean the Blue Ridge Sewer Improvement District.

"District Engineer" shall mean the Pinetop-Lakeside Sanitary District.

"District Map" shall mean the map showing the Assessment Area in the form attached to this Resolution as Exhibit B.

"Estimate" shall mean the estimate of costs and expenses of Blue Ridge Sewer Improvement District Assessment Area 3A-1 filed with the Clerk prior to adoption of this Resolution, showing the estimated cost of the proposed work to be \$950,000.00.

"Governing Body" or "Board" shall mean the Board of Directors of this District.

"Incidental Expenses" shall mean compensation paid to the District Engineer, costs of printing, advertising, posting, the amount paid the District Engineer to take charge and superintend the work of constructing the improvements, the expenses of making the assessment, appraiser's fees, all legal and financial fees, expenses and costs incurred in drafting the proceedings and the sale of bonds and all interest to be paid on the bonds for the period of construction and six months beyond.

"Plans and Specifications" shall mean the plans and the specifications and contract documents for the Assessment Area filed with the Clerk prior to the adoption of this

Resolution.

"Superintendent of Streets" shall mean Jim Bruce, the County Engineer of Navajo County, Arizona, and any successor to such person.

"Work" shall mean the construction and installation of collector sewers and laterals, pump stations and appurtenant facilities within the boundaries of the Assessment Area and other incidental work related thereto, together with all appurtenances and adjuncts necessary, all as shown on the Plans and Specifications.

Section 2. Declaration of Intention to Order Improvements. The public interest and convenience require and it is the intention of this Board to order the Work to be performed. All of said work and improvements are to be constructed at the places and in the particular locations, of the forms, sizes, dimensions and materials and at the lines, grades and elevations as shown and delineated on the Plans and Specifications therefor, prepared by the District Engineer and filed with the Clerk, and preliminarily adopted and approved. No assessment for any lot shall exceed its proportion of the Estimate. For purposes of this Resolution and of all resolutions and notices pertaining to this Resolution the construction and installation of collector sewers and laterals, pump stations and appurtenant facilities as herein described is hereby designated Blue Ridge Sewer Improvement District Assessment Area 3A-1.

Section 3. Determination of Need. In the opinion of the Governing Body, the Work is of more than local or ordinary public benefit, and the Governing Body hereby orders that all amounts due or to become due with respect to the Work shall be chargeable upon the respective lots, pieces and parcels of land within the Assessment Area subject to assessment, in accordance with the benefits to be received by each such lot or parcel.

Section 4. Exclusion of Certain Property. There is exempted from the assessment all publicly owned streets and lands, and they shall be omitted from the assessment, and the costs of the proposed improvements shall be assessed on the lots and parcels of land lying within the Assessment Area, without regard to the omitted streets and lands.

Section 5. Determination and Notice of Necessity to Issue Bonds. The Board finds that the public convenience requires that Bonds shall be issued to represent the costs and expenses of the Work to be assessed upon the lands within the Assessment Area and determines that Bonds shall be issued in the name of the District payable, however, solely and only out of a special fund collectable from special assessments levied and assessed upon the lots, pieces and parcels of land within the Assessment Area subject to assessment therefore in not to exceed 20 annual principal installments from the assessments of \$25.00 or over remaining unpaid as of the date of the delivery date of the bonds.

Pursuant to A.R.S. 11-745, the annual assessment installment for payments of the principal and interest on the bonds shall be collectable in the manner and by the officers provided by law for the collection and enforcement of general taxes levied by the District.

The first principal installment of the assessment shall be due on the first day of November, 1984, and shall be payable to bond holders on the first day of January next after the collection of the first installment of the assessments can be made. The Bonds shall mature on the first day of January in amounts to be set by the Governing Body prior to their issuance.

Said Bonds shall bear interest at the rate of not to exceed 15 percent (15%) per annum, payable on the first day of January and July of each year. Said bonds and the interest thereon shall be payable as provided in A.R.S. Sec. 11-734, and the assessment installments and interest will be collected as provided in A.R.S. Sec. 11-745.

Section 6. Bond Anticipation Notes. The Board reserves the right to issue bond anticipation notes pursuant to Sec. 11-760, A.R.S. The Board also reserves the right to retain any Bonds which may be issued and to sell the same for cash to pay the contractor the amounts due it in cash.

Section 7. Statutory Authority. The Work and all proceedings pertaining thereto

shall be performed under the provisions of Sections 11-701 through 11-760.02, inclusive, A.R.S., and all amendments thereto.

Section 8. Protests and Objections to the Extent of the District. Owners of property within the District may file with the Clerk of the Board of Supervisors, and ex officio Clerk of this Board, Navajo County Governmental Complex, South Highway 77, Holbrook, AZ 86025, written protests against the improvements or the extent of the Assessment Area to be assessed to pay the expenses of the improvements, within fifteen (15) days after the last publication of this resolution, or within fifteen (15) days after the completion of the posting of the notices of proposed improvement, whichever date is later. Notice is hereby given that all protests made will be heard by the Board at the time fixed herein, and protesting owners shall appear at said time and show cause why their protests should not be overruled. Tuesday, the 5th day of June, 1984, at the hour of 11:15 o'clock A.M., Board of Supervisors Chambers, Navajo County Governmental Complex, Holbrook, Arizona, is fixed as the time and place when and where the Board will consider all protests against the improvements, the grades at which the work will be done and the estimated costs of the improvements.

Owners and all other persons directly interested in the assessment, who have any objection to the extent of the District or the improvement, or to any of the previous proceedings connected therewith, may, prior to the time fixed above in this resolution, file a written notice briefly specifying the grounds of their objections.

All protests made as herein provided shall be in writing, shall clearly state the grounds of protests, shall describe the property to which the protest relates, shall state its frontage in feet and decimals thereof, shall be signed by the owner and shall have attached an affidavit of an owner that each signature was affixed in his presence and is the signer's genuine signature.

Section 9. Delegation of Authority. The District Engineer is hereby authorized to fill in any blanks and to make any minor corrections necessary to complete the Plans

and Specifications and the Contract Documents. All of said work will be done under the direction of the District Engineer, having been suitably appointed thereas by the Superintendent of Streets and this Board, and it shall see that the contract is fulfilled.

Section 10. Retained Right to Reduce or Alter Scope of Work. If, because of pending or threatened litigation concerning any one or more parcels subject to assessment, the District and the winning bidder receive a written opinion of Bond Counsel stating that bonds cannot be issued against such parcel or parcels, the District may then cause the construction contract to be modified to exclude from the applicable contract some or all of the Work which will benefit the parcel or parcels in question. The filing of a certificate and request that no bonds be issued against any parcel pursuant to Section 11-734, A.R.S., may be deemed to be threatened litigation. To the extent that plans, detailed drawings and specifications show that any of the improvements described therein may be done according to any of several alternative Plans and Specifications, or methods, classes or kinds of construction or classes or kinds of material, the Board reserves the right to hereafter determine according to which the work shall be done.

Section 11. Miscellaneous. The Work shall be done and all proceedings therefor shall be taken, the Superintendent of Streets shall cause to be posted Notices of Proposed Improvement at not more than 300 feet apart along the lines of the proposed improvements and along all streets within the District, which notice shall be headed "Notice of Proposed Improvement," such heading to be in letters at least 1 inch in height. The Clerk shall certify to the passage of this Resolution of Intention, and shall cause the same in its entirety to be published for two consecutive publications in the White Mountain Independent.

Said Notice of Proposed Improvement shall state the fact of passage of this resolution and briefly describe the proposed improvements, that the proceedings are had pursuant to Chapter 5, Title 11, A.R.S., Article 1, and state the time and place of hearing all protests. On or before the first date of publication of the Resolution of

Intention the Clerk shall cause copies of said notice to be mailed to the owners of real property within the Assessment Area, as their names and addresses appear on the last equalized county tax roll or as known to the Clerk.

All of the locations where collector sewers and laterals, pump stations and appurtenant facilities will be placed are either open to public use or have been dedicated thereto by a plat of record or otherwise, or separate easements, leases or permits have been obtained therefor, or shall be acquired and shall be deemed to be public and subject to improvement and maintenance by the Board.

None of said sewers are County sewers nor maintained by the County, and none of the provisions herein shall be held to impose on the County the duty to maintain the same as County sewers.

The descriptions of the public improvements and the terms describing the proposed work used in this Resolution are general in nature. All items of work and improvements do not necessarily extend for the full length of the description thereof or may extend beyond said description. The plans and detailed drawings for the work and improvements shall be controlling as to the correct and detailed description thereof.

There is excepted from the work herein described any of such work already done to line and grade and marked excepted or shown not to be done on the plans, profiles and specifications.

The grades and elevations shown in the Plans and Specifications are hereby adopted and established as the official grades for said work. All such grades and elevations are in feet and decimals thereof with reference to the datum plane established by the United States Geological Survey.

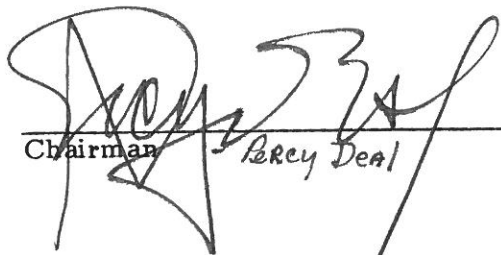
Notice is hereby given of the fact that in many cases said work and improvements will bring the finished work to a grade different from that formerly existing and that to said extent said grades are hereby changed and that said work will be done to said changed grades.

To the extent that work, rights, or improvements indicated in the Plans and Specifications, to be made as provided herein, are shown to be connected to the facilities, works or systems of, or are to be owned, managed, controlled, maintained or operated by, any public agency other than this entity, or any public utility or other person, it is the intention of this Board to enter into an agreement or agreements with the public agency, public utility or other person, or each, which agreement or agreements shall provide for same, and may provide for the installation of all or a portion thereof by said agency, utility or person, for the serving of the properties in the area benefiting from said work, rights, or improvements by said agency, utility or person in accordance with its rates, rules and regulations. Said agreement or agreements shall further provide that any amounts payable by such agency, utility or person for such work, rights, improvements or acquisitions be contributed to this project and credited proportionately upon the assessments and returned to those who shall have paid in cash or credited on assessments which will be to bond or are still then subject to the bond lien.

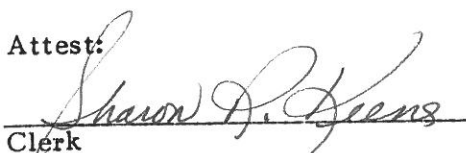
The District Engineer shall make diagrams of the property contained within the District; the diagrams shall show each separate lot, numbered consecutively, the area in square feet of each lot, and the location of the lot in relation to the work proposed to be done. This Resolution shall be filed with the Clerk and made a part of the records of the Governing Body.

ADOPTED THIS 1st day of May, 1984.

BOARD OF DIRECTORS
BLUE RIDGE SEWER IMPROVEMENT DISTRICT


Chairman Percy Deal

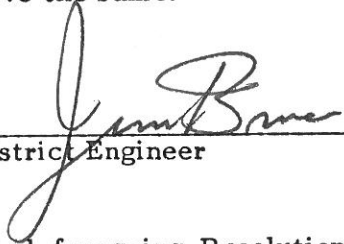
Attest:


Clerk

Approved as to form:

District Attorney

I hereby certify that I have read the description set out under the definition "District" and approve the same. I further certify that I have read the description set out under the definition "Work" and approve the same.



District Engineer

I hereby certify that the above and foregoing Resolution No. 69-84 was fully passed by the Board of Directors of Navajo County, of Holbrook, Arizona, at a regular meeting held on May 1 1984, and that a quorum was present thereat and that the vote thereon was 3 ayes and 0 nays. — were no vote and — were absent.



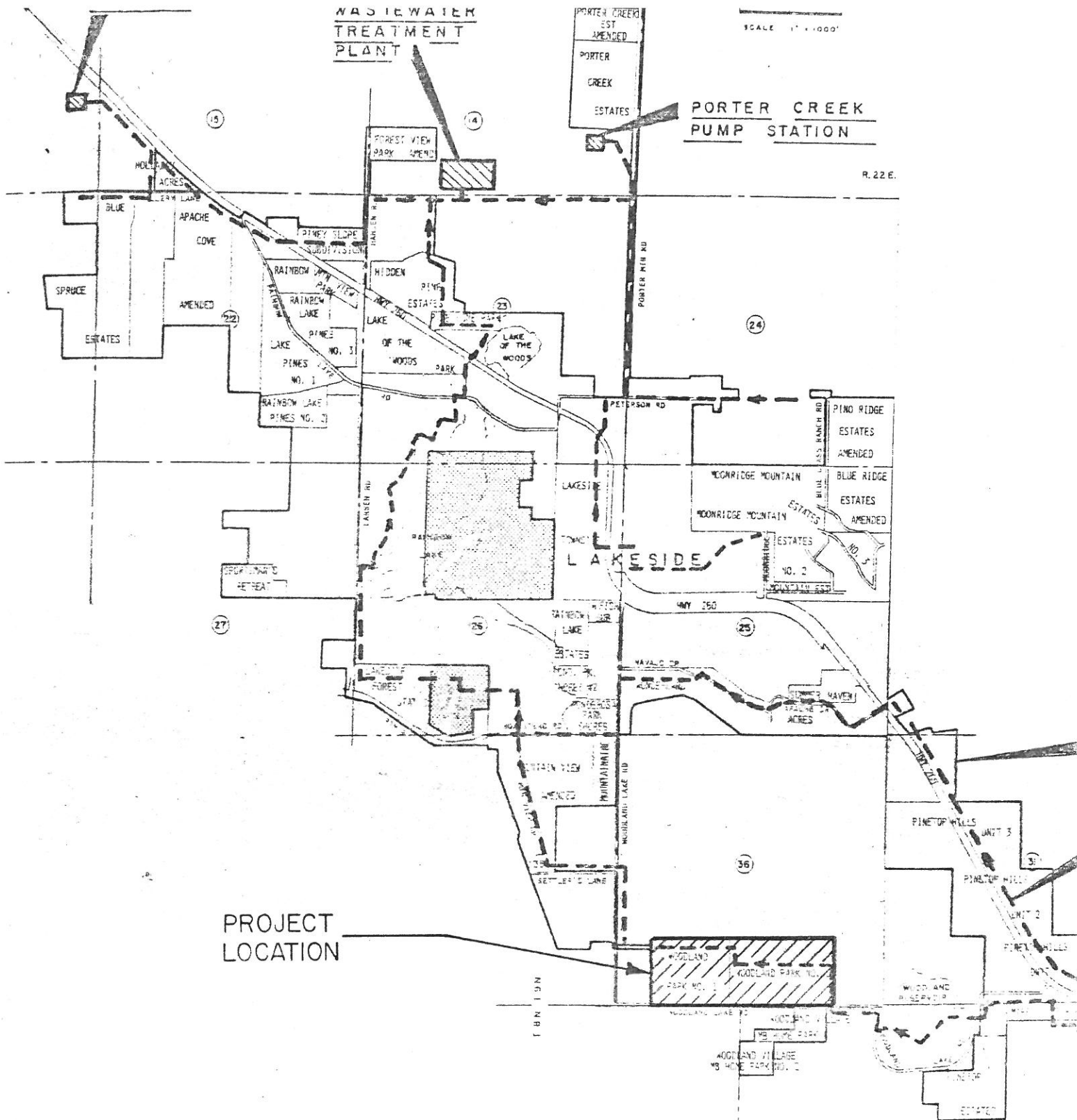
Clerk

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ASSESSMENT AREA 3A-1

The following is a description for Assessment Area 3A-1, Woodland Park, Units 1 and 2.

The East half of the Southwest quarter of the Southwest quarter and the Southeast quarter of the Southwest quarter and the Southwest quarter of the Southeast quarter and the West half of the West half of the Southeast quarter of the Southeast quarter of Section 36, Township 9 North, Range 22 East of the G. & S.R.B. & M., Navajo County, Arizona.



PROJECT LOCATION MAP

WITHIN THE
PINETOP-LAKESIDE SANITARY DISTRICT